



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

School Report Card Program

Michigan Department of Education

Report Number:
313-0203-06

Released:
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The Michigan Department of Education's (MDE's) Accountability Program coordinates information for the School Report Card Program. The School Report Card is the main dissemination vehicle for reporting school accountability data related to public schools and districts in the State. MDE's objective relating to the School Report Card Program is to provide accurate, reliable, and timely reporting.

Audit Objective:

To assess the effectiveness of MDE's efforts to ensure that accurate and timely State and School Report Card data and adequate yearly progress (AYP) status are reported to schools and to the public.

Audit Conclusion:

We concluded that MDE was moderately effective in its efforts to ensure that accurate and timely State and School Report Card data and AYP status are reported to schools and to the public. Our overall conclusion on the effectiveness of MDE's efforts considered the impact of noted discrepancies and weaknesses on the final School Report Card grades and AYP status for over 3,600 schools. However, we considered some of our audit findings material because of the potential effect that the error could have on an individual school's grade or AYP status. We noted four material conditions (Findings 1 through 4) and seven reportable conditions (Findings 5 through 11).

Material Conditions:

MDE, in conjunction with the Department of Information Technology, had not implemented sufficient management controls to help detect and correct inaccuracies and inconsistencies in programming logic used to compile School Report Card results. As a result, MDE reported inaccurate components of AYP status and *Education YES!* grades for at least 620 schools, which may have resulted in MDE incorrectly reporting some schools and districts as meeting AYP. (Finding 1)

MDE improperly included the test scores of nonpublic school students when calculating *Education YES!* letter grade score ranges. The inclusion of the nonpublic school student test scores resulted in inflated *Education YES!* letter grade score ranges for some grade levels and content areas, which may have resulted in some public schools receiving incorrect lower letter grades. (Finding 2)

MDE had not established sufficient controls to ensure compliance with federal regulations relating to the calculation of proficiency rates for students with disabilities. As a result, MDE included proficient scores for at least 1,719 more students with disabilities than allowed under federal regulations and guidance, which resulted in MDE incorrectly concluding that at least 126 schools met AYP in the 2005-06 School Report Card. (Finding 3)

MDE did not ensure that school districts included all required information when notifying parents of students attending schools that were identified for improvement. Without complete notification, parents may not have been able to make informed and timely decisions regarding school choice transfer and supplemental educational services (SES) options. (Finding 4)

Reportable Conditions:

Our assessment also disclosed seven reportable conditions related to verification of high school test data, full academic year students, documentation of the business process, change management and access controls, school performance indicators, appeals documentation, and the State Report Card (Findings 5 through 11).

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Audit Objective:

To assess the effectiveness of MDE's monitoring of school districts' annual reports to ensure compliance with State and federal reporting requirements.

Audit Conclusion:

We concluded that MDE was not effective in its monitoring of school districts' annual reports to ensure compliance with State and federal reporting requirements. We noted one material condition.

Material Condition:

MDE had not implemented procedures to ensure that school districts prepared annual reports in accordance with State and federal requirements. As a result, MDE could not ensure that school districts provided complete and accurate data regarding student performance and program effectiveness to parents and the public. (Finding 12)

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Agency Response:

Our audit report contains 12 findings and 14 corresponding recommendations. MDE's preliminary response indicates that it agrees with 13 of the recommendations and disagrees with 1 recommendation.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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